

## APPENDIX D

### COMPUTING LOGISTIC SUPPORT COSTS

#### A. GENERAL

This Appendix establishes procedures and provides operational guidelines for computing monthly costs of logistic and administrative support provided to the **DoDDS**. It also establishes standard reporting requirements for support category cost-formula computations to be provided with the monthly SF 1080 submission (or its Military Department equivalent) in those instances where unit and consumption factors can be quantified. That is similar to information that commercial activities in the United States (such as electrical companies) provide to their customers. Supporting documentation to validate **DoDDS** reimbursable costs shall include performance factors and the foreign currency rates used to convert local currency costs to dollars, when applicable. Explanations for adjustments to previously reported charges should also be provided. Both direct cite and reimbursable costs shall be separately identified and included in those reporting requirements. All explanatory documentation in support of costs billed to the **DoDDS** may be subject to audit by **DoDDS** personnel.

#### B. ITEMS OF COST

Explanation for costing items of reimbursable support, keyed to specific categories, is provided in subsection **B.1.** through **B.21.**, below:

1. Administrative Services (B.1.). That category includes administrative costs such as those incurred for briefings on installation policy, operation of supply and maintenance systems, personnel processing procedures, non-combatant evacuation orders, and alert plans; etc. While normally non-reimbursable, there may be exceptions to which both supplier and receiver have agreed. Identify cost and source.

2. ADP and/or Automation Services (B.3.). Reimbursable for direct costs for **services provided** to the **DoDDS** only.

3. Civilian Personnel Services (B.4.). Civilian personnel support charges shall be based on the net additional cost incurred (work-year equivalent effort required) by the supplier to provide the support. The total cost of civilian personnel support should be broken down by the number of **DoDDS** FN personnel supported and work hours devoted to that support. costs of

civilian personnel support shall be computed at a servicing ratio of **70:1** or a percentage factor based on actual numbers of DoDDS personnel supported derived from dividing the number of personnel supported by 70. In those cases where a different factor has been negotiated and documented in a MOU, the renegotiated factor shall be used.

4. Communications Services (B.6.). Charges to the DoDDS shall comprise the total costs of commercial telephone service and toll calls broken out by monthly service fees and individual toll calls. (Include number from which call was placed, if possible. )

5. Custodial Services (B.9.). The total reimbursable charges for custodial costs performed with in-house resources should be calculated for both the number of work hours and associated dollar costs of FN and U.S. civilian personnel. Reimbursable charges for the DoDDS shall be reduced by the applicable OUF. The number of hours worked each month times the average hourly pay rate for custodial personnel less any reduction for the OUF shall yield the DoDDS monthly cost. Costs for custodial services performed under installation or base-wide contract shall be based on square footage and associated labor for services devoted to the DoDDS. A breakdown of personnel costs by FN and U.S. civilian personnel is not required when custodial services are provided by contract performance. The DoDDS shall be charged for the cost of janitorial contracts that are solely for the benefit of the dependents schools, less any applicable reduction for the OUF. Excerpts from contract documents about DoDDS support and amendments, thereto, shall be provided to the school principal and to the regional office. Under either method of performance, the DoDDS shall be charged the cost of janitorial supplies, less any applicable reduction for the OUF. Charges for custodial services applicable to cafeteria support are the responsibility of the military installation and/or community. Those costs must be deducted from DoDDS custodial services costs besides deductions for the OUF.

6. Engineering Support (B.11. ). That category of support shall be provided in accordance with the guidelines delineated in Chapter 5, above.

7\* Equipment Operation, Maintenance and Repair (B.12. ). That category includes the total amount of reimbursement requested for in-house support in supply, maintenance, and repair of Government-owned household appliances, furniture, furnishings, equipment, office-type furniture, and office equipment; such as calculators, reproduction equipment, typewriters, and specialty items for DoDDS schools program.

8. Facilities and Real Property Support (B.14.). That category of support includes real property rentals. The DoDDS shall reimburse only those lease costs for permanent facilities and land, which are renewable annually and that are paid from O&M funds. Leases are subject to the OUF. A copy of the leases shall be provided to DoDDS personnel.

9. Facility Maintenance and Repair (B.15.). That category includes the total cost, less application of the OUF, of real property maintenance, and **repair** for which reimbursement is being requested for school facilities. Maintenance personnel costs, maintenance supply costs, and costs of contract maintenance (or construction) shall be recorded on an actual basis. When repair and maintenance of school facilities is part of an **installation-**wide maintenance contract and actual cost data are not available, the DoDDS share of the total contract cost shall be based on proration of the square footage of the buildings maintained under the contract, less application of the OUF. THE DODDS SHALL BE CHARGED FOR THE TOTAL COST OF GROUNDS MAINTENANCE. GROUNDS MAINTENANCE COSTS SHALL NOT BE PRORATED BY THE OUF.

10. Finance and Accounting Services (B.16.). The charges for finance and accounting support shall be based on the net additional cost incurred by the supplier to provide the services. That cost should be broken down by the number of DoDDS civilian personnel supported and work hours devoted to that support. Accounting and finance activities, which support DoDDS regional office disbursements, should provide the total number of work hours expended processing DoDDS workload.

11. Food Services (B.17.). Those charges shall include the number of meals served for dormitory students during the reporting period and the amount of reimbursement being requested for those meals.

12. Laundry and Drycleaning (B.22.). That category should include actual costs of school and dormitory laundry and **dry-**cleaning to include draperies, sheets, and **blankets**. Personal laundry and **drycleaning** are not chargeable to the DoDDS.

13. Printing and Reproduction (B.27.). The DoDDS shall reimburse for actual printing and reproduction costs incurred for the DoDDS. Cost of leased copiers shall not be included.

14. Purchasing and Contracting (B.28.). That category includes the prorated salary of civilian personnel (over and above that required by the supporting activity) involved in purchasing and contracting for the DoDDS. An average contract

cost of 3 percent for contract administration should also be included.

15. Refuse Collection and Disposal (B.29. ). This category includes net additional identifiable costs for refuse collection and is subject to the OUF. Refuse collection and disposal for the school lunch program is not chargeable to the **DoDDS**.

16, Transportation (B.32. ).

a. Daily Commuting. That category includes only the cost to transport students (including handicapped students) from their residence to school, for the start of normal school hours, and from school to their residence, immediately following the end of school hours. Students are authorized only one trip to and from school each day. Transportation for the noon meal, if provided, shall not be charged to **DoDDS** funds. The reporting requirements for that category of support include three distinct categories of cost; i.e., in-house operations, contract operations, and other transportation services. Other transportation services in support of various school activities including those outside normal school hours shall be reported under "Transportation Special Requirements (Curricular Activity Support)." Monthly billings to support transportation charges shall be computed in accordance with the following guidelines:

(1) In-house Operation.

(a) Civilian Drivers. Charges for civilian drivers shall be computed in the following manner:

1 Determine the actual labor rate for the individual driver assigned, accelerated to cover the cost of the fringe benefits including leave. A command average or shop labor rate, similarly accelerated may be used instead of actual rates.

2 Determine the total work-hours to be charged by adding the actual hours that the driver(s) is engaged in school-bus daily commuting service (from time of dispatch until the time of return to the motor pool or assignment to another service other than daily commuting, whichever is first) plus up to 1 hour each day for operator maintenance and cleaning of the vehicle.

3 Determine the actual cost to be charged by multiplying the total hours by the labor rate.

(b) Supervisors, dispatchers, and other indirect-cost personnel constitute administrative aspects of

transportation services and, as such, are nonreimbursable. That applies equally to supervision and administration of in-house operations, as to the monitoring and inspection of contractor or other third party operations.

(c) Charges for safety attendants assigned to special education daily commuting services shall be computed, as follows:

1 Determine the actual hourly rate for each employee or the average hourly labor rate for safety attendants employed. The basic salary rate shall be accelerated to cover all applicable fringe benefits.

2 Determine the work hours to be charged. While the basic rule would parallel that for driver time, from departure from motor pool until return to the motor pool, it may be necessary for other circumstances to allow additional items; e.g., 2 hours in the morning and 2 hours in the afternoon as minimum employment periods.

3 Multiply the work hours by the applicable accelerated labor rate(s).

(d) Charges for automotive equipment utilized in student transportation services shall be based on:

1 A per-mile rate by type of vehicle developed in accordance with regulations of the Military Department. The rate shall compensate the supplier for equipment maintenance and operation (including fuel), other than operation labor. The cost of equipment (variously termed "investment," "depreciation," or "replacement") shall not be included in the per-mile rate. The rate may be developed either for the individual military community or for all communities under a military subordinate command.

2 The actual miles equipment is operated on daily commuting services may be determined from the odometer readings logged by the operator at the beginning and end of each service. For scheduled services, mileage may also be calculated by multiplying the measured route distance, including deadhead travel to the first and from the last service point each day, by the number of days on which service was required during the charging period.

3 The cost to be charged for equipment shall be determined by-multiplying the total actual miles by the per-mile rate.

(e) Operational Data

1 Number of Buses. The **monthly docu-**mentation should **include** a breakout to show the minimum number of Government-operated vehicles (buses, sedans, and/or carryalls) required to provide the scheduled daily commuting services. Do not include vehicles held in reserve or used to replace vehicles temporarily out of service.

2 Number of Bus Runs. The total number of daily trips to and/or-from school should be reported. For example, transporting a **busload** of kindergarten students to school in the morning and from school at midday would be two trips even though just one vehicle was utilized.

3 Number of Students Transported. Supporting documentation **should** show the number of students who are authorized use of Government-operated commuting services. Each student shall be counted no more than one time. The total number of students reported plus the number of students residing in the designated walking area, should not exceed the actual enrollment of the school(s) covered.

4 U.S. Civilian Drivers. Show the average number of U.S. **civilian** drivers employed on **schoolbus** commuting services each day by the supporting organization. Also include the total number of work hours, which U.S. civilian drivers worked on daily **schoolbus** commuting services during the period covered.

5 FN Drivers. Show the average number of **non-U.S.** drivers **employed** each day by the supporting organization and the total number of work hours that **non-U.S.** drivers worked on daily commuting services during the period.

(2) Contract Operations

(a) **DoDDS** funds shall be cited on the contract. The actual costs shall be based on the contracted service rate multiplied by the number of times and/or units the service is required, less any reductions made for unsatisfactory performance or failure to perform. Costs of scheduled services shall be segregated as to daily commuting, curricular, and co-curricular, based on the purpose and designation of the specific service.

Costs for safety attendants for authorized special education services shall be separately identified and reported.

(b) If the bus service contract incorporates services other than **DoDDS** commuting routes, contract costs shall be prorated based on miles operated, or equipment hours, in service.

(c) The costs of transportation management, contract inspection, quality control, and administration aspects are not authorized charges to DoDDS funds.

(d) Operational Data

1 Number of Buses. Show the minimum number of contractor vehicles (buses, sedans, and carryalls, etc. ) required to provide the daily commuting services-contracted. Do not count reserve or standby vehicles.

2 Number of Bus Runs. Show the number of daily commuting trips-operated by the contractor-operated daily commuting services.

3 Number of Students Transported. Show the number of students who are authorized to use **contractor-**operated daily commuting services.

(3) Other Transportation Services. The actual costs of other transportation services shall be charged to DoDDS funds.

(a) Public Transportation. (Rail, intercity bus services, and municipal mass transport services. ) Those services may be procured in advance by the supporting organization or procured by the student and/or sponsor subject to reimbursement by the Government. Care must be exercised to procure that transportation at the most economical cost feasible; e.g., monthly student pass, commercial, or reduced-rate bulk issue tickets, etc.

(b) POVS. In certain situations, it may be cost advantageous to the U.S. Government to authorize transportation of students(s) by a POV to the school or a central pickup point, subject to reimbursement of the student and/or sponsor at the standard authorized rate as established in the JFTR, volume 1 and the JTR, volume 2 (reference (r) and (s)).

(c) Taxi. In some limited circumstances, and for limited periods of time, parents, guardians, or sponsors may arrange for transportation of their dependent children by taxi, subject to reimbursement of expenses. In each of the situations in subparagraph 16 a.(3) above, care must be taken to obtain specific approval before the service is utilized.

b. Special Requirements - Curricular and Co-Curricular Activity Support. That category includes the costs of all student transportation in support of school activities including those held outside normal school hours. It also includes the cost of bus monitors, where required by host-nation statute, and cost of administrative transportation required for support of the school program and/or staff. That support may be provided by in-house operations, contract performance, or, in limited circumstances, privately procured services subject to reimbursement. The method of support shall normally be the same as that provided by daily commuting. DoDDS policy limits special transportation to major population centers and/or central transportation points such as bus and rail stations. Those trips shall normally be limited to one trip each day and shall include stops only when a minimum of four, or more, students are being discharged.

(1) Curricular Transportation. Curricular transportation consists of student transportation services in direct support of school curricular and school events during the normal school day. Participation in curricular activities is mandatory rather than voluntary and is normally scheduled for an entire class. Included in that category are the following:

(a) Study Trips.

(b) Services in support of cooperative work experience assignments.

(c) Shuttle or other services between a school and a remote annex, or to facilities such as a gymnasium, swimming pool; etc. , not located near the school.

(d) Services for one-time requirements such as high-school orientation visits, graduation practice, and school participation in a local community event; etc.

(2) Co-Curricular Transportation. The following services are authorized in support of DoDDS with co-curricular activity programs:

(a) Transportation between school and activity and/or event location.



(b) Transportation to and/or from athletic, or other, facilities not available at school.

(c) Transportation leaving school in the late afternoon, at the end of the activity period, to central drop-off points; or transportation to school, before regular daily commuting services, to use practice facilities not otherwise available. The cost of providing curricular and co-curricular transportation shall be computed, as described in subsection B.16., above, for daily commuting services.

(d) Bus Monitors and Safety Attendants

1 School Bus Monitors

a In-House. Report the number of civilian monitors and associated salaries when those are authorized charges to the DoDDS funds.

b Contract. Report the number of bus monitors authorized and provided under contracts and the actual cost of those services.

2 Safety Attendants

a In-house. Report the number of safety attendants authorized by the DoDDS and associated salaries.

b Contract. Report the number of safety attendants authorized and provided under contracts and the actual cost of those services.

(e) Dormitory Student Transportation

1 Report number of 5-day dormitory students and their transportation costs by all transportation modes between dormitory school and primary residence.

2 Report the number of 7-day dormitory student dependents of DoD military and civilian employees, and their transportation costs, by all modes between dormitory school and primary residence.

3 Dormitory Activity Travel. Report the number of students and costs for authorized transportation (other than that reported under subparagraphs B.16.b.(2)(e)1 and B.16.b.(2)(e)2, above, in support of dormitory students.

(f) Administrative Vehicles

1 Administrative Transportation. Report cost to the **DoDDS** of Government-owned or leased administrative vehicles. If a vehicle is on long-term loan from the motor pool, indicate the **DoDDS** prorata share of maintenance and/or operation costs. If a vehicle is leased for the **DoDDS**, report the monthly lease cost, if known, or one-twelfth of annual lease cost. If vehicle is assigned to the **DoDDS** from a motor pool for a one-time service, report the cost **charged** to the **DoDDS** computed, in accordance with subparagraph **B.16.a.** (1) (d) above.

2 Taxi and Shuttle Service. For official business use only. Specify basis on which charges are assessed and total charges.

17. Utilities (B.33.). When separate meters or separate heating plants for the school facility exist, the **actual** cost of utility service shall be used. All metered utility costs shall be reduced by the applicable OUF. When utility services at the school facility, or facilities, are prorated among all users, the reimbursable cost shall be computed for each category, as follows. Utility costs factored with the formulas in paragraphs **B.17.a.** through **B.17.e.**, below, reflect **DoDDS** costs for use of the utilities during the school day. When using the formulas in paragraphs **B.17.a.** through **B.17.e.**, below, the **OUF** shall not be applied.

a. Water (Unmetered). The following water consumption factors shall be used:

<u>Type of Facility</u>	<u>Consumption</u>
School	15 gal each person each school day
Dorm (only residents)	55 gal each person each dorm day

The school population figure shall include students, teachers, instructional aides, and full-time administrative personnel. The principal shall supply that information on request.

EXAMPLE

This example assumes a population of 189 students and 11 teachers and administrators, or 200 total, and a unit price of water at \$0.11 per 1,000 gallons. Total consumption and cost computation are, as follows:

<u>Average</u> <u>Population</u>	<u>Consumption</u> <u>Factor</u>	<u>Actual School Days</u> <u>This Reporting Period</u>	<u>Reporting Period</u> <u>Consumption</u>
200	15	x 51	= 153,000 gal

Periods

<u>Consumption</u>	<u>/</u>	<u>1,000</u>	<u>x</u>	<u>Unit Price</u>	<u>Cost Each Period</u>
153,000	/	1,000	x	\$ 0.11	= \$16.83

(1,000 U.S. gallons = 3.7854 cubic meters. There are up to 183 instructional days each SY, but actual school days in the period covered by the report are to be used.)

b. Sewage. A factor of 70 percent of the total gallons of water consumed by the school for the period shall be used for the amount of sewage disposed. In isolated instances, local governments may bill the supporting Military Service more than 70 percent. When the actual usage varies from the standard 70 percent rate, the percentage used to determine sewage disposal cost may be changed after the supporting installation has shown supporting documentation. Those instances shall be approved by the DoDDS regional director. The percentage rate times the unit price for sewage disposed shall give the school sewage charge.

c. Electricity. An illumination factor of 3 watts each square foot each hour shall be used to determine the use for school purposes. A 7-hour day shall be used for that computation when elementary and/or intermediate and/or middle schools are involved, and an 8-hour day shall be used when either junior or senior high schools are involved. Those computations shall include air conditioning, unless the installation has a separate air-conditioning plant. If that is the case, compute DoDDS costs based either on the metered amount or the prorated charge. This example assumes the total area of the elementary school facility is 20,000 square feet and the electricity unit price is 0.25 dollars each kilowatt hour (KWH).

$$\frac{\text{Square Feet}}{\text{Foot}} \times \frac{\text{Illumination Factor}}{\text{Foot}} \times \frac{\text{Actual School Days This Period}}{\text{Day}} \times \frac{\text{Hours Used Each Day}}{\text{Day}} = \frac{\text{Reporting Usage}}{\text{KWH}}$$

$$20,000 \times .003 \times 51 \times 7 = 21,420 \text{ KWH}$$

$$\frac{\text{Period Usage}}{\text{KWH}} \times \frac{\text{KWH Unit Price}}{\text{Unit}} = \frac{\text{Cost Each Period}}{\text{Period}}$$

$$21,420 \times 0.025 = \$535.50$$

d. Heating Fuels. (Gas, Fuel Oil, and Solid Fuels),. When the school has its own heating facility, the cost of fuel shall be reimbursed. When the school is heated from a central plant, reimbursement shall be based on the proportion of school space heated to the total amount of building space heated by the central plant. Engineers and/or public works officials shall reduce the amount of fuel and labor costs chargeable to school operations by the OUF to compensate for use of the school by other users.

e. Miscellaneous Utilities Costs. Those costs include reimbursable labor involved in firing school boilers or for visits of roving operators, if the plant is oil-fired. Labor costs chargeable to the school, whether the school has its own heating facility or is heated from a central plant, shall be reduced by the OUF to compensate for use of the school facility by other users.

#### 18. Other Support (B.35. ).

a. Subsistence. Reimbursement for subsistence shall be in accordance with the procedures negotiated between the school and the commissary officer.

b. Expendable and General Supplies. That category includes costs incurred for expendable, nontechnical commodity materials provided in support of the DoDDS, wherein the ISA is the authorizing document.

19. Fire Protection (A.6.) and Police Services (A.9. ) . Fire protection and police services are routinely provided on a nonreimbursable basis. Under certain circumstances, installation commanders may incur net additional identifiable police service costs in support of the DoDDS. In those instances, and with prior approval of the regional director, the DoDDS may be charged for police support above and beyond that which would be provided by the installation for other tenants. Only those costs are reimbursable and included under that category of support.

20. Other Costs. Identify other costs and include the applicable two-position category of support codes used on the ISAs .

21. Total Logistic Support Charges. The grand total should represent all costs associated with the support of DoDDS activities, including those funded through direct citation of DoDDS funds.

( REMARKS. Provide the names and mailing addresses of supporting activity(ies) and the school(s) supported, and the FY and month in which the support was provided. Also, provide the name, rank and/or grade, phone number, and organization of the individual who prepared the report. Reference the applicable ISA number and associated MIPR number(s). The information should be documented on plain white paper and be attached to the monthly billing. )

(**NB:** Monthly costs less than 500 dollars may be accumulated and billed quarterly or annually, in accordance with DoD 7220.9-M (reference (t))).